

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 11th day
of March, 2020.

In the Matter of the Second Prudence)	
Review of the Missouri Energy Efficiency)	
Investment Act (MEEIA) Cycle 2 Energy)	<u>File No. EO-2019-0376</u>
Efficiency Programs of Union Electric)	
Company d/b/a Ameren Missouri)	

ORDER APPROVING STIPULATION AND AGREEMENT

Issue Date: March 11, 2020

Effective Date: April 10, 2020

On June 3, 2019, the Staff of the Missouri Public Service Commission (Staff) filed a notice that it had begun its second Missouri Energy Efficiency Investment Act (MEEIA) Cycle 2 prudence review for Union Electric Company, d/b/a Ameren Missouri (Ameren Missouri). As a result of that review, Staff recommended a total disallowance of \$194,451. Ameren Missouri disagreed with that disallowance and filed a request for a hearing. After discussions, Ameren Missouri, Staff, and the Office of the Public Counsel filed a stipulation and agreement settling all the outstanding issues.

The signatory parties agreed to compromise with a \$50,000 credit to customers as an "Ordered Adjustment" in the "Net Ordered Adjustment" component of Ameren Missouri's Energy Efficiency Investment Rate (EEIR) calculations. The parties also agreed that Ameren Missouri will defer the recovery of costs for preparing subsequent MEEIA filings to the respective future MEEIA Cycle with which those costs are associated. To the extent a subsequent MEEIA Cycle filing is not approved, the parties agreed that

Ameren Missouri may seek recovery¹ in a future general rate case and that recovery request may be opposed by the parties in that case. The parties additionally agreed Ameren Missouri will retain documentation related to incremental contract labor; conference and membership costs should be recovered in a general rate case rather than through Rider EEIC; and Ameren Missouri shall modify its process to eliminate timing differences between its sources for reporting information.

Commission Rule 20 CSR 4240-2.115(1) provides that the Commission may accept a stipulation and agreement as a resolution of all the issues. After reviewing the stipulation and agreement, the Commission finds that it is a reasonable resolution of all issues and should be approved.

THE COMMISSION ORDERS THAT:

1. The stipulation and agreement filed on February 25, 2020, is approved. The parties are ordered to comply with the terms of the stipulation and agreement. A copy of the stipulation and agreement is attached to this order.
2. This order shall be effective on April 10, 2020.



BY THE COMMISSION

A handwritten signature in dark ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Silvey, Chm., Kenney, Rupp, Coleman, and
Holsman CC., concur.

Dippell, Senior Regulatory Law Judge

¹ The parties agreed that potential costs studies are recoverable during the MEEIA Cycle in which they occur and are not subject to this same treatment.

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Second Prudence)	
Review of the Missouri Energy Efficiency)	File No. EO-2019-0376
Investment Act (MEEIA) Cycle 2 Energy)	
Efficiency Programs of the Union Electric)	
Company d/b/a Ameren Missouri.)	

**STIPULATION AND AGREEMENT
REGARDING ADJUSTMENTS TO AMEREN MISSOURI'S EEIR**

COMES NOW Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri” or “the Company”) and the Staff of the Missouri Public Service Commission (“Staff”), (collectively “Signatories”), and present to the Missouri Public Service Commission (“Commission”) for approval this Stipulation and Agreement (“*Stipulation and Agreement*”) commemorating an agreement between the Signatories resolving the issues in this case.¹ In support of this *Stipulation and Agreement*, the Signatories respectfully state as follows:

BACKGROUND

1. On June 3, 2019, Staff issued its *Notice of Start of Second MEEIA² Prudence Review of Cycle 2 Energy Efficiency Programs* ("Notice"). On October 30, 2019, Staff submitted a report titled *Staff's Second Prudence Review For Cycle 2 of Costs Related To The Demand-Side Programs Investment Mechanism for the Electric Operations of Union Electric Company d/b/a Ameren Missouri* ("Report"). Because it questioned some of Staff's recommendations, Ameren Missouri submitted a *Request for Hearing* on November 7, 2019. On December 4, 2019, certain parties to this proceeding submitted a *Jointly Proposed Procedural Schedule and Request*

¹ While the Office of the Public Counsel is not a signatory, counsel for the agency has indicated it will not object to this *Stipulation and Agreement*.

² Missouri Energy Efficiency Investment Act.

to *Cancel Procedural Conference*. The Commission issued its *Order Adopting Partial Procedural Schedule* on December 16, 2019.

2. During this time, Ameren Missouri and Staff continued discussions in an effort to resolve this matter without going to hearing. As a result of these discussions, Ameren Missouri and Staff have agreed to a compromise position regarding the amount of adjustment to be made to Ameren Missouri's Energy Efficiency Investment Rate ("EEIR"). The Signatories agree that resolution of the adjustment ordered to the EEIR is fair and, along with the other agreements set forth herein, will resolve the outstanding issues between them in this docket.

SPECIFIC TERMS AND CONDITIONS

3. Disallowance. In light of the foregoing, the Signatories to this *Stipulation and Agreement* agree that, in its next Rider EEIC filing to adjust its EEIR, Ameren Missouri shall include a \$50,000 credit to customers as an "Ordered Adjustment" in the "Net Ordered Adjustment" component of its EEIR calculation. The parties further agree that once this adjustment is made, no other adjustments to the EEIR will be necessary for the MEEIA review period of November 1, 2017, through February 28, 2019.

4. Costs Attributable to Future MEEIA Cycles. Ameren Missouri will defer the recovery of costs for preparing subsequent MEEIA filings to the respective future MEEIA Cycle with which those costs are associated.³ To the extent a subsequent MEEIA Cycle filing is not approved, Ameren Missouri may seek recovery in a future general rate case and other parties, including Staff, may oppose that request for recovery.⁴

³ For example, costs attributable to the preparation of MEEIA Cycle 4 that occur during the time frame of MEEIA Cycle 3 will be deferred to MEEIA Cycle 4 for recovery.

⁴ Potential Cost studies are recoverable during the MEEIA Cycle in which they occur and are not subject to the treatment described in this paragraph.

5. Incremental Contract Labor. To recover incremental contract labor through Rider EEIC, the Company will retain for future prudence reviews detailed documentation. This documentation shall include invoices that describe the billed time for the incremental labor in detail, such as the applicable periodic rate for the work performed, the amount of time spent on MEEIA-specific projects, and a description of the MEEIA-specific work performed.

6. Conference and Membership Costs. Going forward, Ameren Missouri shall seek recovery of costs associated with conferences and memberships in general rate cases rather than through Rider EEIC and other parties, including Staff, may oppose that request for recovery.

7. Throughput Disincentive Documentation. Ameren Missouri shall modify its process to eliminate timing differences between its sources for reporting information. The Company will implement processes so that retroactive adjustments are not made to the previous month's results. If differences occur among the sources of reporting information, Ameren Missouri shall provide reconciliations to explain the nature of the differences among the sources of information.

8. Implementation. The Signatories agree that Commission approval of this *Stipulation and Agreement* will allow Ameren Missouri to implement this adjustment in its next Rider EEIC filing.

GENERAL PROVISIONS

9. This *Stipulation and Agreement* is being entered into solely for the purpose of settling the issues specifically set forth above, and represents a settlement on a mutually-agreeable outcome without resolution of specific issues of law or fact. This *Stipulation and Agreement* is intended to relate *only* to the specific matters referred to herein; no Signatory waives any claim or right which it may otherwise have with respect to any matter not expressly

provided for herein. No Signatory will be deemed to have approved, accepted, agreed, consented, or acquiesced to any substantive or procedural principle, treatment, calculation, or other determinative issue underlying the provisions of this *Stipulation and Agreement*. Except as specifically provided herein, no Signatory shall be prejudiced or bound in any manner by the terms of this *Stipulation and Agreement* in any other proceeding, regardless of whether this *Stipulation and Agreement* is approved.

10. This *Stipulation and Agreement* has resulted from extensive negotiations among the Signatories and the terms hereof are interdependent. In the event the Commission does not approve this *Stipulation and Agreement*, or approves it with modifications or conditions to which a Signatory objects, then this *Stipulation and Agreement* shall be null and void, and no Signatory shall be bound by any of its provisions.

11. If the Commission does not approve this *Stipulation and Agreement* unconditionally and without modification, and notwithstanding its provision that it shall become void, neither this *Stipulation and Agreement*, nor any matters associated with its consideration by the Commission, shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with Section 536.090 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the Signatories shall retain all procedural and due process rights as fully as though this *Stipulation and Agreement* had not been presented for approval, and any suggestions or memoranda, testimony, or exhibits that have been offered or received in support of this *Stipulation and Agreement* shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

12. If the Commission unconditionally accepts the specific terms of this *Stipulation and Agreement* without modification, the Signatories waive, with respect only to the issues resolved herein: their respective rights (1) to call, examine and cross-examine witnesses pursuant to Section 536.070(2), RSMo 2000; (2) their respective rights to present oral argument and/or written briefs pursuant to Section 536.080.1, RSMo 2000; (3) their respective rights to the reading of the transcript by the Commission pursuant to Section 386.080.2 (RSMo 2000); (4) their respective rights to seek rehearing pursuant to Section 386.500, RSMo 2000; and (5) their respective rights to judicial review pursuant to Section 386.510, RSMo Supp. 2011. These waivers apply only to a Commission order respecting this *Stipulation and Agreement* issued in this above-captioned proceeding, and do not apply to any matters raised in any prior or subsequent Commission proceeding, or any matters not explicitly addressed by this *Stipulation and Agreement*.

13. The Staff and Ameren Missouri shall also have the right to provide, at any agenda meeting at which this *Stipulation and Agreement* is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that Staff and Ameren shall, to the extent reasonably practicable, provide the other parties with advance notice of the agenda meeting for which the response is requested. Staff's and Ameren Missouri's oral explanations shall be subject to public disclosure, except to the extent they refer to matters that are privileged or protected from disclosure pursuant to the Commission's rules on confidential information.

14. This *Stipulation and Agreement* contains the entire agreement of the Signatories concerning the issues addressed herein.

15. This *Stipulation and Agreement* does not constitute a contract with the Commission and is not intended to impinge upon any Commission claim, right, or argument by

virtue of the *Stipulation and Agreement's* approval. Acceptance of this *Stipulation and Agreement* by the Commission shall not be deemed as constituting an agreement on the part of the Commission to forego the use of any discovery, investigative or other power which the Commission presently has or as an acquiescence of any underlying issue. Thus, nothing in this *Stipulation and Agreement* is intended to impinge or restrict in any manner the exercise by the Commission of any statutory right, including the right to access information, or any statutory obligation.

16. The Signatories agree that this *Stipulation and Agreement*, except as specifically noted herein, resolves all issues related to these topics, and that this *Stipulation and Agreement* should be received into the record without the necessity of any witness taking the stand for examination.

WHEREFORE, the Parties respectfully request that the Commission approve this *Stipulation and Agreement*, so that Ameren Missouri may move forward on these provisions, and grant any other and further relief as it deems just and equitable.

Respectfully submitted,

/s/ Paula N. Johnson

Paula N. Johnson, #68963

Senior Corporate Counsel

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**Attorney for the Staff of the
Missouri Public Service
Commission**

**ATTORNEYS FOR UNION ELECTRIC
COMPANY D/B/A AMEREN
MISSOURI**

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, transmitted by e-mail or mailed, First Class, postage prepaid, this 25th day of February, 2020, to counsel for all parties on the Commission's service list in this case.

/s/ Paula N. Johnson

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 11th day of March 2020.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

March 11, 2020

File/Case No. EO-2019-0376

**Missouri Public Service
Commission**

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.